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C O N F I D E N T I A L SECTION 01 OF 03 KUALA LUMPUR 000992

SIPDIS

FOR EAP AND INR

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TAGS: [PGOV](#) [PINR](#) [KDEM](#) [MY](#)
SUBJECT: ANWAR SHIFTS GEARS, NOT GOALS, SAY AIDES

REF: KUALA LUMPUR 979 - INITIAL REACTION TO U.S.
ELECTION

Classified By: Political Counselor Mark D. Clark for reasons 1.4 (b and d).

Summary and Comment

1. (C) Opposition leader Anwar Ibrahim has shifted to a less aggressive posture for now, but his goal remains bringing down the UMNO-led government through parliamentary crossovers prior to Deputy Prime Minister Najib becoming the next UMNO party president and Prime Minister, according to top officials in Anwar's Peoples Justice Party (PKR). Part of Anwar's strategy entails reaching out to the "losers" in the transition from Prime Minister Abdullah to Najib, including UMNO veteran Tengku Razaleigh. The PKR officials acknowledged that the government's September arrests of three persons under the Internal Security Act (ISA) had sent an effective warning to those considering switching their support to Anwar. PKR officials and Anwar's lawyers assumed the sodomy prosecution against Anwar would move forward, with a trial phase likely beginning by January. The Opposition was unlikely to support "superficial" reforms that UMNO would try to rush through parliament as part of outgoing PM Abdullah's legacy. The Ambassador met on October 30 with Tengku Razaleigh, who complained about his inability to compete in the UMNO nomination process due to money politics and contended that the next UMNO president (Najib) would not necessarily become the next Prime Minister.

2. (C) Comment: We currently are witnessing a different tone and pace in the struggle between the Opposition and UMNO following Anwar's unrealized September deadline and the rapid consolidation of UMNO support behind Najib as the next Prime Minister. While PKR's rationale for wanting to head-off Najib remains in place, Anwar has lost political momentum for the moment and seems to face increasingly long odds in securing future crossovers. Anwar's ability to attract the "losers" from the Abdullah-Najib transition remains theoretical. End Summary and Comment.

Anwar's Less Aggressive Posture

3. (C) Polcouns met separately with PKR Information Chief Tian Chua and PKR Vice President Sivarasa Rasiah on November 3 and 5, respectively. Both PKR officials acknowledged that Opposition leader Anwar Ibrahim has shifted to a lower key approach since the passage of Anwar's public September 16 deadline to bring down PM Abdullah's government through the crossover of 30 or more government MPs. Compared with September, Anwar is now more focused on consolidating the

Opposition People's Alliance (Pakatan Rakyat), which encompasses three parties with often disparate political views: PKR, the Chinese-dominated Democratic Action Party (DAP), and the Islamic Party of Malaysia (PAS). As the formal Opposition leader in Parliament, Anwar is devoting attention to Pakatan's actions in parliament and guiding Opposition MPs, most of whom are sitting in the body for the first time.

Crossover Goal Unchanged

¶4. (C) Despite his less aggressive public posture, Anwar's goal remains bringing down the UMNO-led government through parliamentary crossovers prior to Deputy Prime Minister Najib Tun Razak becoming the next UMNO party president and Prime Minister, Tian Chua and Sivarasa stated. The time horizon has shifted from December to March 2009, in line with the shift in the UMNO party elections, at which time Najib is set to become UMNO president uncontested. PKR officials reiterated that Anwar and PKR remain focused on preempting Najib's takeover if possible, because they believe Najib would invoke authoritarian measures to scuttle the Opposition before the next national elections. In the months ahead, PKR would look for opportunities to weaken support for Najib and the government, for example by criticizing GOM measures in the face of a possible dramatic downturn in the economy following the global financial crisis, or by using new information linking Najib to scandals, like the Altantuya case and the Eurocopter purchase. (Comment: Anwar and other Opposition leaders have taken up such issues in Parliament

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over the past few weeks. On November 4, Anwar led a walk-out of Opposition MPs to protest Najib's refusal to allow questions during his presentation of revised budget figures. End Comment.)

Attracting the "Losers"

¶5. (C) Anwar does not have enough ethnic Malay MPs ready to join the Opposition, according to both Tian Chua and Sivarasa, without which the Opposition faces unacceptable risks of a harsh government backlash justified on the basis of Malay nationalism. Anwar reportedly hopes to attract disaffected UMNO leaders and MPs who are "losers" in the current transition from Abdullah to Najib; most prominent among these is veteran UMNO leader Tengku Razaleigh Hamzah. Talks with Razaleigh remain inconclusive because Razaleigh continues to insist on the prospective position of Prime Minister, while PKR estimates that Razaleigh could secure the crossover of only four or five UMNO MPs (see notes below from the Ambassador's recent meeting with Razaleigh). Anwar is also maintaining contact with PM Abdullah at this stage, primarily through son-in-law Khairy Jamaluddin, Tian Chua said. Whether members of Abdullah's circle would consider crossing over to Anwar remained an open question.

ISA as Warning to MPs

¶6. (C) The two PKR officials acknowledged that the government's September arrests of three persons -- a journalist, an Opposition MP and blogger Raja Petra -- under the Internal Security Act (ISA) had sent an effective warning to those MPs considering switching support to Anwar. (let's mention Petra's release today) (Comment: In early October, UMNO MP Nur Jazlan told Polcouns that the ISA arrests had been "very successful" in achieving UMNO's objective of intimidating MPs who had considered joining with Anwar. End Comment.)

Sodomy Trial Will Remain a Factor

¶7. (C) Sankara Nair, a prominent attorney for Anwar, told us on November 5 that, regardless of maneuvers in the current Sessions Court, it only a matter of time before the government shifted Anwar's sodomy case to the High Court, a more favorable venue for the prosecution. Sivarasa, who also serves as one of Anwar's lawyers, believed that the trial phase of the sodomy case would begin in earnest by January. Neither Sankara nor Sivarasa believed the government would drop the case.

Opposition Unlikely to Support Abdullah's Reforms

¶8. (C) The Prime Minister's circle -- through Khairy -- has approached Anwar regarding support for judicial reform measures that would be presented in Parliament soon as part of Abdullah's parting legacy, according to Sivarasa and Tian Chua. The Opposition, however, was unlikely to support these measures because they did not represent meaningful changes. The Opposition believed, for example, the proposed changes to the Anti-Corruption Commission would leave the body under firm executive control. Following the resignation of legal reform Minister Zaid Ibrahim, Nazri Aziz, de facto Minister for parliamentary affairs, led the judicial reform discussions in Parliament, but he lacked credibility.

Anwar and the U.S. Presidential Election

¶9. (U) Following his initial remarks of November 5 (reftel), Anwar has continued to comment generally positively on Senator Obama's victory in the U.S. presidential election. Time Magazine highlighted Anwar's remarks on President-elect Obama as the first among those of only 11 prominent world personalities. Anwar wrote that, "In Obama's victory are sown the seeds of great expectations that a truly new chapter will be written in the history of the world." Anwar publicly claimed he had been in contact with Senator Obama.

Ambassador Calls on Razaleigh

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¶10. (C) The Ambassador met on October 30 with Tengku Razaleigh, who, as the only challenger to DPM Najib for the UMNO presidency, had yet to garner a single UMNO division nomination (he now has one). Casting himself as a reformer, Razaleigh said that he wished to bring greater democracy and transparency to UMNO, but that he could not compete in the current nomination race in the face of engrained corruption and money-politics. Razaleigh said that Najib's coming to power would allow former Prime Minister Mahathir to regain substantial influence within the government. Razaleigh indicated his relations with Mahathir, his former political rival, remained strained.

¶11. (C) While Razaleigh conceded that Najib would win the UMNO contest, he stressed several times to the Ambassador that the next UMNO president would not necessarily become the next Prime Minister, but did not further explain this remark. Razaleigh speculated that there now existed grounds for PM Abdullah and Anwar Ibrahim to work together, for example on reform measures. Razaleigh thought that Khairy Jamaluddin currently acted as the go-between for Abdullah and Anwar. Razaleigh acknowledged, as he has publicly, that he continues contact with opposition politicians, but he did not otherwise signal he planned to leave UMNO.
KEITH